

Washington State Institute for Public Policy

Benefit-Cost Results

Functional Family Therapy (youth in state institutions)

Benefit-cost estimates updated August 2014. Literature review updated April 2012.

Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For more detail on our methods, see our technical documentation.

Program Description: Functional Family Therapy (FFT) is a structured family-based intervention that uses a multi-step approach to enhance protective factors and reduce risk factors in the family. Functional Family Therapy is a Blueprint program identified by the University of Colorado's Center for the Study and Prevention of Violence. In our analysis, we only include effect sizes from programs that were delivered competently and with fidelity to the program model.

Benefit-Cost Summary								
Program benefits		Summary statistics						
Participants	\$3,350	Benefit to cost ratio	\$11.15					
Taxpayers	\$7,942	Benefits minus costs	\$34,017					
Other (1)	\$24,523	Probability of a positive net present value	100 %					
Other (2)	\$1,560							
Total	\$37,375							
Costs	(\$3,358)							
Benefits minus cost	\$34,017							

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2013). The economic discount rates and other relevant parameters are described in our technical documentation.

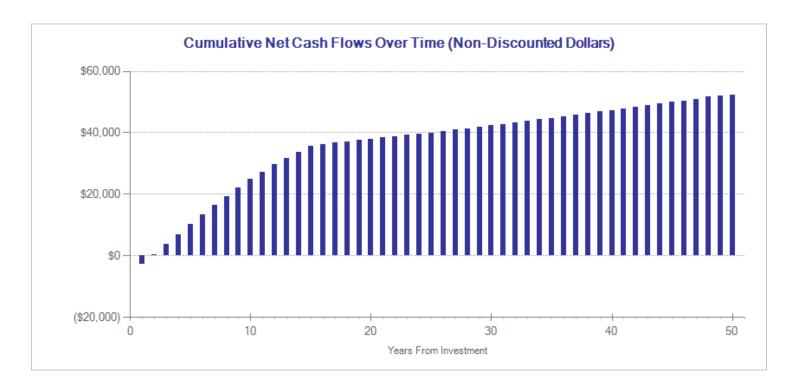
Detailed Monetary Benefit Estimates									
Course of bonefits	Benefits to								
Source of benefits	Participants	Taxpayers	Other (1)	Other (2)	Total benefits				
From primary participant									
Crime	\$0	\$6,064	\$23,156	\$3,016	\$32,236				
Labor market earnings (hs grad)	\$3,404	\$1,452	\$1,683	\$0	\$6,539				
Health care (educational attainment)	(\$55)	\$426	(\$315)	\$211	\$267				
Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$1,667)	(\$1,667)				
Totals	\$3,350	\$7,942	\$24,523	\$1,560	\$37,375				

We created the two "other" categories to report results that do not fit neatly in the "participant" or "taxpayer" perspectives. In the "Other (1)" category we include the benefits of reductions in crime victimization and the economic spillover benefits of improvement in human capital outcomes. In the "Other (2)" category we include estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

Detailed Cost Estimates Annual cost Program duration Year dollars Summary statistics Program costs \$3,134 1 2008 Present value of net program costs (in 2013 dollars) (\$3,358) Comparison costs \$0 1 2008 Uncertainty (+ or - %) 10 %

Barnoski, R. (2009, December). Providing evidence-based programs with fidelity in Washington State juvenile courts: Cost analysis (Document No. 09-12-1201). Olympia: Washington State Institute for Public Policy.

The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta analysis. The uncertainty range is used in Monte Carlo risk analysis, described in our technical documentation.



Meta-Analysis of Program Effects										
Outcomes measured	Primary or secondary participant	No. of effect sizes	Unadjusted effect size (random effects model)		Adjusted effect sizes and standard errors used in the benefit-cost analysis					
					First time ES is estimated			Second time ES is estimated		
			ES	p-value	ES	SE	Age	ES	SE	Age
Crime	Primary	8	-0.585	0.001	-0.253	0.096	17	-0.253	0.096	27

Citations Used in the Meta-Analysis

- Alexander, J.F., & Parsons, B.V. (1973). Short-term behavioral intervention with delinquent families: Impact on family process and recidivism. *Journal of Abnormal Psychology*, 81(3), 219-225.
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- Klein, N.C., Alexander, J.F., & Parsons, B.V. (1977). Impact of family systems intervention on recidivism and sibling delinquency: A model of primary prevention and program evaluation. *Journal of Consulting and Clinical Psychology*, 45(3), 469-474.
- Sexton, T., & Turner, C.W. (2010). The effectiveness of Functional Family Therapy for youth with behavioral problems in a community practice setting. Journal of Family Psychology, 24(3), 339-348.

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